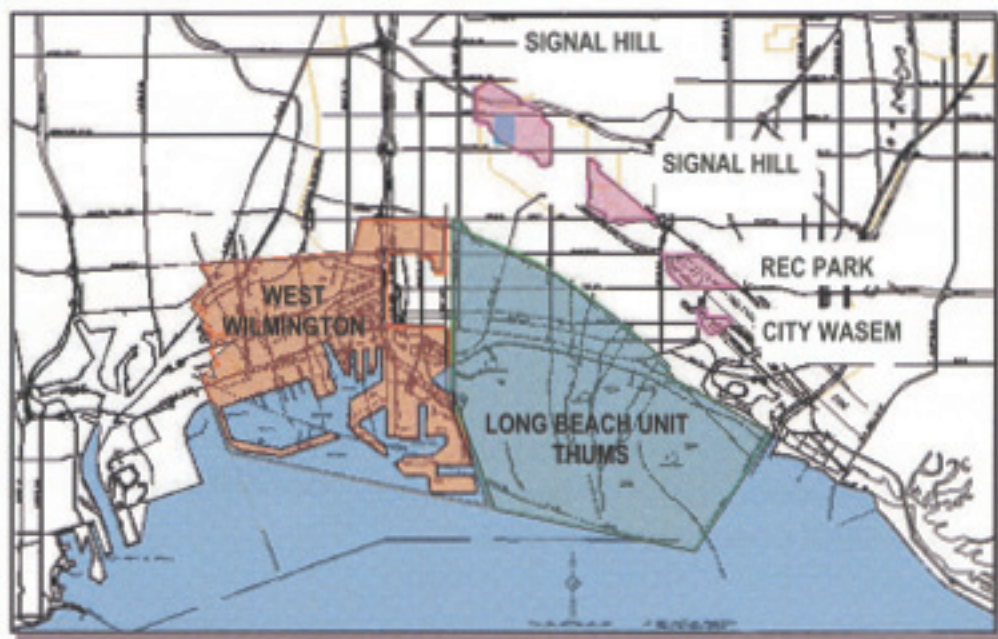


OIL OPERATIONS



The DOP is the Unit operator of the Wilmington oil field and oversees the work of two private contractors that control the day to day operations in the field. The DOP is also involved, although to a lesser extent, in oil operations in which the City has a financial interest, such as the Signal Hill East and West Units, Recreation Park and Marine Stadium.

The two contractors for the Wilmington oil field are Tidelands Oil Production Company (TOPKO) and Occidental Petroleum Long Beach (OLBI). TOPKO is the field contractor for the western part of the Wilmington oil field. Since 1932, more than 3,400 land based wells have been drilled in west Wilmington, though only about 700 now remain. In the early 1950's water flooding was initiated to increase oil recovery and control subsidence.

OXY Long Beach, Inc. (OLBI) is the field contractor of the Long Beach Unit (LBU), the eastern section of the Wilmington oil field. THUMS Long Beach Company (THUMS), named for the original field contractors: Texaco, Humble, Union, Mobil, and Shell is the agent for OLBI that accomplishes the work in Long Beach. In 1964, four man-made islands, named after the astronauts that lost their lives during the early years of U.S. space exploration (Grissom, White, Chaffee, and Freeman) were built. The LBU began water flooding at the start-up of development of the field to ensure subsidence did not occur.

Today, the Wilmington oil field, produces approximately 40,000 barrels of oil per day from over 1,500 active wells.